SECOND AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LONG BEACH AND THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

The City of Long Beach and the International Association of Machinists and Aerospace Workers (IAM) agree to amend the October 1, 2007 to September 30, 2013 Memorandum of Understanding as follows:

The labor agreement will be extended by one year, to expire on September 30, 2014. All existing terms and conditions set forth in that agreement shall remain unchanged for the term of the extended agreement, except as modified below.

I. Amend Article Two-Salaries and Compensation, Section I – Classifications-Pay Rates-Salary Increases, C. Additional Compensation, 1. Classification and Compensation Study to read:

The classification portion of the Classification/Compensation Study will be completed and implemented by September 30, 2014. The compensation portion of the Classification/Compensation Study is deleted.

II. Amend Article Two-Salaries and Compensation, Section I – Classifications-Pay Rates-Salary Increases, C. Additional Compensation, 2. Classification and Compensation Study Equity Adjustments to read:

In lieu of the equity adjustment values, except for the 1% already implemented retroactively to 10/01/2010, and in lieu of expedited mediation/arbitration, IAM represented employees will receive a 5 percent general salary increase effective October 1, 2012.

- III. Amend Article Five-Retirement and Workers' Compensation, Section I Retirement, A. Continuation of Retirement Benefits by adding:
 - 3. Effective January 1, 2013, or shortly thereafter, for employees who are eligible for and enrolled in the California Public Employee Retirement System (CalPERS) the City shall contribute on behalf of each eligible employee who is a CalPERS member, zero percent (0%) of his or her individual employee contribution. Effective January 1, 2013, or shortly thereafter, employees shall contribute from their annual salary their full employee contribution to CalPERS.
 - 4. In accordance with state law, the IAM agrees to implement a new retirement formula of 2.0% @ 62 for those employees hired on or after January 1, 2013, who are new members to CalPERS as defined by California Government Code section 7522.04. These employees shall contribute from their annual salary their full employee contribution to CalPERS in the amount legally mandated pursuant to California Government Code sec. 7522.30. Final compensation for employees hired on or after January 1, 2013, who are new members to CalPERS will be calculated based on a three-year average in accordance with California Government Code sec. 7522.32.
- IV. Amend Article Five-Retirement and Workers' Compensation, Section I –
 Retirement, B. Report the Value of Employer-Paid member Contribution (EPMC)
 Special Compensation by adding the following sentence:

IV. Amend Article Five-Retirement and Workers' Compensation, Section I –
 Retirement, B. Report the Value of Employer-Paid member Contribution (EPMC)
 Special Compensation by adding the following sentence:

Effective January 26, 2013, or shortly thereafter, the City will no longer designate EPMC as compensation earnable and report it as such to PERS.

It is also agreed that there will be no further	layoffs through September 30, 2013.
In witness thereof, the parties hereto have confunderstanding to be executed this 3/	
FOR THE LONG BEACH CITY EMPLO LODGE 947, INTERNATIONAL ASSOCIAT WORKERS – AFL-CIO: Ray Rivera, Grand Lodge Representative Western Territory	
Cynthia Marlene Arrona	Roz Boger
Floyd Jerome Bramlett	Brett Engstrom
Dan Gonzalez	Hans Tritten
Surian Pete Pearson	Nancy Riano
Roy Robledo Scott Sansenbach	Laura Sansenbach Scott Schroyer
Michael Vandermeer Mull VIII	Norm White
Mike Ulichney	

Dan Zenovka

Patrick H. West, City Manager Keh Walker Manager, Personnel Operations Nani Blyleven, Administrative Analyst III	Deborah R. Mills Director of Human Resources Tara McLean Human Resources Officer
	APPROVED AS TO FORM: Robert E. Shannon, City Attorney
	APPROVED AS TO FORM AND RETURNED January 31, 20, 13 ROBERT E. SHANNÓN, City Attorney By CHRISTINA L. CHECEL DEPUTY CITY ATTORNEY